

Order

**Michigan Supreme Court
Lansing, Michigan**

November 7, 2006

Clifford W. Taylor,
Chief Justice

ADM File No. 2006-37

Michael F. Cavanagh
Elizabeth A. Weaver
Marilyn Kelly
Maura D. Corrigan
Robert P. Young, Jr.
Stephen J. Markman,
Justices

Amendment of
Administrative Order
No. 1998-1

On order of the Court, Administrative Order No. 1998-1 is amended as follows, effective immediately.

[Present language is amended as indicated below
by strikeover for text that is deleted.]

**Administrative Order 1998-1
Reassignment of Circuit Court Actions to District Judges**

In 1996 PA 374 the Legislature repealed former MCL 600.641, which authorized the removal of actions from circuit court to district court on the ground that the amount of damages sustained may be less than the jurisdictional limitation as to the amount in controversy applicable to the district court. In accordance with that legislation, we repealed former MCR 4.003, the court rule implementing that procedure. It appearing that some courts have been improperly using transfers of actions under MCR 2.227 as a substitute for the former removal procedure, and that some procedure for utilizing district judges to try actions filed in circuit court would promote the efficient administration of justice, we adopt this administrative order, effective immediately, to apply to actions filed after January 1, 1997.

A circuit court may not transfer an action to district court under MCR 2.227 based on the amount in controversy unless: (1) The parties stipulate to the transfer and to an appropriate amendment of the complaint, see MCR 2.111(B)(2); or (2) From the allegations of the complaint, it appears to a legal certainty that the amount in controversy is not greater than the applicable jurisdictional limit of the district court. ~~Circuit courts are directed to send to the State Court Administrator copies of all orders transferring actions to district court under MCR 2.227 based on the amount in controversy.~~

Circuit courts and the district courts within their geographic jurisdictions are strongly urged to enter into agreements, to be implemented by joint local administrative orders, to provide that certain actions pending in circuit court will be reassigned to district judges for further proceedings. An action designated for such reassignment shall remain pending as a circuit court action, and the circuit court shall request the State Court Administrator assign the district judge to the circuit court for the purpose of conducting proceedings. Such administrative orders may specify the categories of cases that are appropriate or inappropriate for such reassignment, and shall include a procedure for resolution of disputes between circuit and district courts as to whether a case was properly reassigned to a district judge.

Because this order was entered without having been considered at a public hearing under Administrative Order No. 1997-11, the question whether to retain or amend the order will be placed on the agenda for the next administrative public hearing, currently scheduled for September 24, 1998.

Staff comment: This order deletes the requirement in Administrative Order No. 1998-1 for courts to report to the State Court Administrative Office when a case is transferred from circuit court to district court. That requirement was originally adopted to monitor the transfer of cases from circuit court to district court, following the repeal of a statute authorizing the practice. The transfer of cases under MCR 2.227 has been working smoothly and without incident, and no further statewide monitoring is necessary.

The staff comment is not an authoritative construction by the Court.



I, Corbin R. Davis, Clerk of the Michigan Supreme Court, certify that the foregoing is a true and complete copy of the order entered at the direction of the Court.

November 7, 2006

Corbin R. Davis
Clerk